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FISCAL IMPACT STATEMENT

LS 6923

BILL NUMBER: SB 303

NOTE PREPARED: Feb 27, 2006

BILL AMENDED: Feb 27, 2006

SUBJECT: Various Motor Vehicle Matters.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR: Rep. Duncan

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has several provisions regarding motor vehicles and driver's licenses.

Sunday Sales: This bill provides that the prohibition against Sunday sales of motor vehicles does not apply to an auctioneer.

Driver's Licenses: This bill revises language pertaining to the requirements for issuance, renewal, and expiration of certain driver's licenses.

21-Year-Old Relative: The bill requires the relative or guardian accompanying a driver less than 18 years of age who holds a learner's permit must be at least 21 years of age.

Corporate Check Accepted: This bill authorizes the acceptance of a corporate check for the original or a renewal of a commercial driver training school license or instructor's license.

Repeals Language: The bill repeals language: (1) requiring a holding of a public passenger chauffeur's license in order to drive certain motor vehicles; and (2) concerning the renewal of the motorcycle endorsement of a driver's license or a motorcycle operator's license.

Identification Cards: This bill revises language concerning the fee for issuance of state identification cards under certain circumstances.

Removes Language: The bill removes obsolete language.

Farm Drainage Machinery: The bill also exempts farm drainage machinery from size and weight regulations.

Selective Service Registration: The bill allows males who are at least 18 years of age but less than 26 years of age to register with the Selective Service System when applying for or renewing a driver's license.

Effective Date: (Amended) Upon passage; January 1, 2006 (retroactive); July 1, 2006.

Explanation of State Expenditures: *21-Year-Old Relative:* This part will have no fiscal impact.

Corporate Check Accepted: Prior to this proposal, corporate checks were not an acceptable method of payment for this license, based to some extent on the soundness, or lack thereof of the particular business. This part should have no fiscal impact.

(Revised) *Farm Drainage Machinery:* This part will have no fiscal impact.

(Revised) *Selective Service Registration:* This provision will involve expenditures expected to range between \$15,000 and \$20,000 for information technology and forms. The fund affected is the Motor Vehicle Highway Account (MVHA) which supports the Bureau of Motor Vehicles (BMV). This requirement can be implemented within the existing resources of the BMV.

Explanation of State Revenues: *Sunday Sales:* Allowing auctioneers to sell vehicles on Sunday likely will not contribute to additional sales. Based on the Bureau of Motor Vehicles new car report, there were 201,756 new passenger vehicle titles/cars sold during CY 2005.

Public Passenger Chauffeur's License: The bill repeals the requirement to hold a public passenger chauffeur's license in order to drive school buses. In CY 2004, there were approximately 3,800 public passenger chauffeur's licenses issued. This bill will reduce the number of these licenses issued. Revenue in CY 2004 totaled approximately \$53,000. The fee for the license is \$14, with \$2 deposited into the MVHA, which supports the BMV, \$4 deposited into the Crossroads 2000 Fund, which supports highway bonding, \$0.50 into the Motor Vehicle Technology Fund, \$1.25 into the Anti-Terrorism Fund, which supports the construction of communication towers for the Integrated Public Safety Commission, and \$6.25 into the state License Branch Fund, which supports the license branches throughout the state.

While there will be a loss of revenue from the repeal of the requirement that a school bus driver have a public passenger chauffeur's license, this will be offset by the potential increase of the issuance of commercial drivers licenses (CDLs). In order to drive a school bus, the driver must possess a CDL. The fee for a four-year CDL is \$30, \$15 of which is deposited into the MVHA, \$14.50 is deposited into the state License Branch Fund, and \$0.50 is deposited into the Motor Vehicle Technology Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles and other recipients of MVHA distribution (State Police, Department of Transportation, State Department of Revenue).

Local Agencies Affected: Recipients of MVHA distributions.

Information Sources: Mike Barnhart, Legislative Liaison for the Bureau of Motor Vehicles, 317-233-1218; BMV data.

Fiscal Analyst: James Sperlik, 317-232-9866.